

Stormwater, Asset Management, and Wastewater (SAW) Grant / Loan Program



SAW Program Development

- In 2002, voters approved the Great Lakes Water Quality Bond (Proposal 2)
- This authorized \$1 billion in bonds to be sold for water pollution control projects through State Revolving Fund (SRF)/ Strategic Water Quality Initiatives Fund (SWQIF)
- On January 2, 2013, legislation passed authorizing the creation of the new SAW grant and loan program.
- From Proposal 2 bonds, \$450 million allocated to the SAW program.
- December 2, 2013, the funds became available and were awarded on a first come, first served basis

SAW Submittals

- 673 applications totaling \$541 million were received on December 2, 2013.
- SAW funds can be used to cover:
 - Planning
 - Design Engineering
 - Revenue System Development
 - Wastewater Asset Management Plans
 - Stormwater Asset Management Plans
 - Stormwater Management Plans
 - Innovative Wastewater and Stormwater Technology

SAW Lottery

- All applications were received at the same time; therefore, a lottery was done in order to determine the funding order.
- Each community was given one chance in the lottery, whether it submitted one or multiple grant applications.
- Funding is determined by a community's position as determined by the lottery order and the amount of funding available per fiscal year. We start at the top of the list and fund as far as we can each year.

SAW Grant Program

- \$2 million grant cap per community
 - 90% grant/10% local match up to \$1 million
 - 75% grant/25% local match over \$1 million
 - 100% grant for disadvantaged communities
- The local match to a SAW grant is not eligible for loan assistance (i.e., SRF, SWQIF, or SAW loan assistance)

100% SAW Grant

A 100% SAW grant can go to any of the following:

- Disadvantaged community per calculation in Part 53
- Municipality in receivership
- Municipality operating under an emergency manager or emergency financial manager appointed by the state
- Municipality operating under a consent agreement as provided under the Local Government Fiscal Responsibility Act

They can also expend up to \$500,000 in grant funds for construction of projects identified in an asset management plan.

SAW Grant "Follow Through" Requirements

- Grant recipients have 3 years from the grant award to implement the project or face repayment of the grant plus interest.
- Planning and Design grants must result in a notice to proceed or similar document.
- Wastewater Asset Management Plans must provide a plan and show 'significant progress' towards a funding structure within 3 years.
- Stormwater Asset Management Plans must be implemented.
- Stormwater Management grants must result in a plan.
- Innovative technology grant recipients must agree to implement a full scale project if the technology is shown to be feasible.

SAW Loan Program

- Eligible projects - similar to the federally funded SRF
- Three loans were awarded and they received funding in the first two funding cycles.
- SAW loans maximum - \$10 million
- SAW loans have fewer program requirements:
 - No Davis-Bacon Act Prevailing Wage Rates
 - No Disadvantaged Business Enterprise (DBE)
 - No Contractor Solicitation Process

SAW Funding

- Each year state legislature determines how much is available for SAW. State bonds are sold by Treasury to fund the program.
- First round - allocated \$97 million
 - funded 92 grants and 2 loans
 - grant agreements were signed in May 2014
- Second round - allocated \$97 million
 - funded 115 grants and 1 loan
 - signed and awarded in October 2014
- Funding for FY2016 has not yet been determined.

SAW Moving Forward

- Each applicant has 3 years to complete its grant or loan project.
- It is expected to take 5 years to fund all the SAW applicants, based on the current rate of funding
- This means that we will still be processing SAW disbursements through FY2021.

SAW GIS

Geographic Information System (GIS) is eligible for:

- Wastewater Asset Management Plans
- Stormwater Asset Management Plans
- Stormwater Management Plans

SAW GIS Grant Limits

Total SAW GIS limits are as follows:

Service Area Population	Dollar Limit
Less than or equal to 5,000	\$60,000
5,001 to less than or equal to 20,000	\$85,000
20,001 to less than or equal to 50,000	\$110,000
Greater than 50,000	\$160,000

SAW GIS Eligibility

GIS costs cover

- Mapping
- Software
- Hardware
- Training

SAW GIS Mapping Eligible

Charter planes for aerial photography

- Stormwater Plans requiring 2 ft. interval topographic contours in order to model drainage districts.
- Purchase of aerial photos for Asset Management mapping.
- Purchase GIS data sets.
- Joint partnership with Center of Shared Solutions to provide aerial imagery.

SAW GIS Software Eligibility

Purchase of any GIS / AMP software

- New GIS systems with up to 3 years maintenance
- Upgrades to new versions of GIS systems, as well as specialized components such as 3D capabilities
- AMP programs
- Compliance and rendering of data sets
- Connections between SCADA systems and AMP programs

SAW GIS Hardware and Training Eligibility

- Hardware

- Computers – desktop / laptop / tablet

- Printers

- GPS equipment

- Training

- Professional training

- Force account for employees

SAW GIS Ineligible

- GIS Servers – no purchase or upgrades to servers
- Standard yearly costs for ArcGIS or similar GIS systems – maintenance

Aerial Imagery Partnership

- Partnership with the Center for Shared Solutions High Resolution Aerial Imagery
- Communities undertaking a Stormwater Plan who need the 2 ft. contours can pair with DTMB as part of the standard flyovers.
- Costs will be a 70% - 30% split, with the additional costs for higher resolutions covered by the community. These costs are grant eligible.
- The resulting information will be incorporated into the Shared Solutions High Resolution Aerial Imagery Data Set.

Digital Base Maps

The Center of Shared Solutions partnered with the DEQ to provide aerial base maps free to a portion of the SAW communities. Eligibility requirements:

- Communities completing an Asset Management Plan or a Stormwater Management Plan
- Reside in a county that did not partner with the state for the most recent series of aerial imagery collected from 2009-2014
- Implementation of an Intergovernmental Agreement for data sharing

Questions?



**Michigan Department of Environmental Quality
Revolving Loan Section**

Main Phone #: 517-284-5433

Website: www.michigan.gov/cleanwaterrevolvingfund